

# The New Party

Editor Independent: I have just risen from a reading of Thomas E. Watson's "Life and Times of Thomas Jefferson."

The most significant sentence is the following:

"When one of our custom house people opens a lady's trunk and rummages about among her undergarments, frequently holding them up to irreverent view, or scattering them around in disorder, it is the system, not the men, whom all decent folks loathe and detest." (p. 96-7.)

Mr. Watson is an able writer. He has written an interesting book. Whoever takes up the "Life and Times of Thomas Jefferson" and commences to read, will probably go through to the end.

The sentence above quoted shows how the writer looks upon the tariff. He finds no fault with revenue tariffs, but he can ridicule protection without limit. If a custom house officer happens to be over strenuous, it is all charged to a protective tariff, instead of a revenue tariff. According to Mr. Watson, if a collector of customs should "open a lady's trunk and rummage about among her undergarments," it would be all right, provided the officer were collecting duties in the interest of "revenue," but all wrong if he should act in the interest of protecting American industries.

I cannot understand such logic as this. It nevertheless serves to show how a southern man thinks. Not that we don't have plenty of men in the north who think the same way; but the south is the home of such ideas—if not the home—certainly the origin; for it is a matter of history, that revenue tariffs were not preached until about 1820, when the south was fast concluding to have slavery as a permanent institution. The south showed this disposition by refusing to admit Missouri as a free state—and threatening to go out of the Union (or break it up), unless slavery could be extended. At that time the north was foolish enough to consent to the admission of Missouri as a slave state provided Maine was admitted as a free state and provided the south would consent to confine slavery to all territory in the west south of 36 degrees 30 minutes, which was the famous Missouri compromise.

We have plenty of people in the north who talk just like the people of the south on the tariff, but they get their ideas and their logic from the south. It so happens, however, that their ideas are not indorsed by a single state in the north, while protection is not indorsed by a single state south. In old times this was not the case, for, before slavery began to be a power, protection was as popular in the south as in the north. I am, therefore, obliged to attribute the present condition of things in the south to negro slavery. To be sure, slavery is dead, but it has left its marks—and one of the marks is a "tariff for revenue only."

Now, the point of the whole argument is this: Why should the American people think of taxing themselves by a tariff law as long as they can tax themselves in any other way?

If they tax themselves by a tariff law, they tax themselves in proportion to the amount of foreign food and clothing they use. On the other hand, if they tax themselves in any other way, they tax in proportion to their wealth, ability to pay, or benefits received from government.

I am now speaking of taxing for the federal government at Washington. They might tax themselves by the "single tax" for the support of local government. They at least might think of doing this, but they could not think of taxing themselves in this way for the support of the national government at Washington, because the single tax must first be applied (if ever applied) for the support of local government. If enough cannot be realized for the support of a municipality (as very many contend) then certainly nothing can be realized for the central government at Washington.

Taxation for the support of municipalities is not the issue at present. This system of taxation, however, is far more satisfactory than the system for the support of the national government.

What we want now is a taxation for the federal government, that will fall upon wealth rather than food and clothing. We are impressed with the idea, that, if this system is continued, as we find it imbedded in our tariff and internal revenue systems, we shall have to pay in proportion to the

amount of food we consume rather than according to the amount of property we own.

Coming back, however, to the single tax for a moment, let me observe, that the Henry George people, who are advocating this and seeking to make it the paramount issue in our national politics as well as in our local politics, must first get their doctrine adopted in some municipality in the Union, before they can think of having it adopted for supporting the federal government. If, for instance, the Hon. Tom L. Johnson could get his city to adopt the single tax, not for the support of his state of Ohio or of the United States, but for his own city of Cleveland, then he might think of asking the people of his state of Ohio to adopt it for the support of the state government. But it seems, as a matter of fact, that Mr. Johnson has never succeeded in getting his own city to adopt the single tax, and therefore he is estopped from asking his state, as such, to adopt it. I will not undertake to say why Mr. Johnson was so overwhelmingly defeated for governor in the recent campaign, but he and his friends, the single taxers, might very properly begin to think about ruling their own city before they begin to think about ruling the state of Ohio. And, by the way, I wish that Mr. Johnson would apply his system of taxation to the city of Cleveland and make a success of it, in order that we might have the data, upon which we can build an argument for the single tax. It is a fact that this tax is only a theory, as yet, and we would like to have some hard facts to support it. It is a splendid theory and I would like to see it applied and made successful. But, until I can see it applied to some municipality, town or township and shown to be practicable, I can never have any faith in it for the support of a state government, much less for the support of the national government at Washington.

Coming back to the tariff, which is to be the paramount issue between the two old parties this year, let us notice that we are constantly complaining of "high tariffs." Now, what is meant, when we denounce high duties on foreign merchandise imported? Do we mean high duties for protection or high duties for revenue? The recent debate in congress, with reference to reciprocal trade with Cuba, answers this question. We have been complaining that the duty on sugar is too high under the Dingley law enacted in 1894. The duty, in round numbers, is about 1 1/2 cents a pound on raw sugar and 2 cents on refined sugar. These rates are very high, because the price of raw sugar in Europe (Hamburg, the great exporting port), is about 1 1/2 cents, and if the duty is also 1 1/2 cents, it is 100 per cent, which is certainly a very high rate. It is high enough to double the price of sugar to the consumer, and is therefore a tax of 100 per cent on the sugar bowl or its contents; and takes as many dollars out of the man who works for a dollar a day as out of the millionaire, if they each eat the same amount of sugar. If the poor man has six children and they all eat sugar, and the millionaire has no children, then the former pays six times as much for the support of the federal government at Washington as the latter. This is the practical working of the tariff on sugar insofar as it is a tariff for revenue only. If it is a tariff for protection only then it not only raises the price of foreign sugar, but the price of all similar domestic sugar. We are a sugar producing country as well as a sugar consuming country. We produce only a small amount of sugar in comparison with the amount we consume. I believe we produce about one-tenth of what we consume, so that we have to import a very large amount of sugar. The result is, that if the duty is very high and we import a very large amount, then Uncle Sam gets a very large amount of revenue from the importation of sugar. And, besides, if the duty on foreign sugar imported is so high as to double the price of foreign sugar, then the price of our domestic sugar of like grade or kind is also doubled because our domestic producers who produce so little compared with the imported sugar, can ask as much as the merchants ask who import foreign sugar. But, if our producers can double the price of their little sugar, simply because the importers double the price of their article, a very large quantity of which is brought into the country in spite of the high duty and high price, then, of course, our domestic producers are doing a good business and are thriving, although

our consumers are sometimes pinched by the high price.

If the duty on sugar is now too high, as we all think it is, for purposes of protection or encouragement of our sugar producers—in the north or in the south—then of course the excess of what is necessary for protection is certainly intended for the revenue of Uncle Sam; and, whether intended or not for revenue, it certainly adds to the revenue of the United States.

Democrats, as a rule, never object to a tariff duty, no matter how high, provided only that it is for the benefit of Uncle Sam, but they always object, if the duty is for protection (or encouragement of the revenue of a citizen)—and they object on the ground of highness. They are always watching for a high duty, if it is for protection; but never for a high duty, if it is for revenue. They are willing, apparently, to pay any amount of taxes on consumption whether the consumer is able to pay or not.

Republicans, as a rule, never object to a duty, no matter how high, provided only that it is for protection. Nor do they object if the high duties are for revenue.

Now, it so happened in the recent debate on the Cuban reciprocity treaty that the duty on raw sugar (1 1/2 cents) was admitted, by the leading republicans, to be too high for purposes of protection, but not high enough for purposes of Uncle Sam's revenue. This was distinctly admitted by the committee on ways and means (Mr. Payne chairman) in their report to the house. I call particular attention to this, because it is a good illustration of the difference between a duty for protection and a duty for revenue alone. It shows that a duty may be high for one purpose and low or not high enough for another purpose; that the duty on sugar, for instance, was too high for protection and not high enough for revenue.

I have been wanting, for a long time, to come across some such illustration as this; and it was not until I sat down to read the report of Mr. Payne, that my eyes lit upon it; and any man who wants to know the difference between the two tariff systems can see it by reading Mr. Payne's argument in support of the Cuban reciprocity bill.

The great difficulty with our present tariff law is, not that the duties are too high for protection, but that there are too many duties for revenue merely, and the mischief of the whole business is that the democrats are eager to point out the duties that are too high for protection, but never eager to call attention to the fact that there should never be a duty for revenue merely.

What the country needs today is a tariff law in which there shall be no duties for revenue—and another law (first passed) providing that whenever the government needs revenue, it shall be furnished by taxing the citizen according to his or her wealth, and not in proportion to the amount of food they consume.

The two old parties are each now trying to get into a good position before the people on the tariff question, in order to carry the presidential election. The republicans will preach protection and the democrats tariff for revenue only. The result will be, that the republicans will win, and then they will continue the old law which will have more revenue tariffs in it than any democrat could think of. This is the way things have been running the past twenty-five years, right under our own eyes—and yet the thing will continue, unless the new party acknowledges the principle or theory of protection as settled, and then proceeds to make a law that will tax wealth, whenever revenue is wanted for the treasury of the United States.

What is wanted today is a party that can unite the north and the south. These two sections have been estranged too long. They never should have been separated, as they have been. It has been the work of demagogues, or at least of men, not well informed. Slavery did it, but now that slavery has passed away or is passing away, its twin sister, tariff for revenue only, ought also to go. It must go, or there will be no peace—no union of the sections. It must go, or there will be no nationality, no grand conception of what we ought to be as a nation. It must go, or there will be no patriotism—no United States of America, but in lieu thereof a lot of confederated states with no grand aim or purpose. It must go, or the people of the south will never know what it is to be an American citizen, such as Jackson contemplated. Yes, we must have protection in the south. That part of the country needs it more than the north. The south has able men, but they have been

misled by such men as John C. Calhoun, who taught that slavery is a "good, a positive good," and who construed the constitution of the United States in such a way as to make each state a nation, instead of making a nation out of the United States of America.

We not only want to abolish revenue tariffs, holding on to protective tariffs for a while, but want a system of taxation, that will wipe out every monopoly—all the trusts as fast as they develop into monopolies. If a graduated income tax will do this, we want it. If an inheritance tax will do this, we want it. In short, we want the power of taxation so applied as to do exact justice, and leave no man or men with any special privilege.

Is the new party equal to the emergency? Can it declare that freedom is our first object, and that every citizen ought to vote on equal terms without regard to race, color or sex? Can it declare that every citizen shall be taxed according to his or her wealth and that all tariffs for revenue merely shall be abolished? Can it declare that the money of the nation, whether stamped upon gold, silver or paper, shall be issued by the government itself and for the benefit of all the people alike, and that its volume and value shall be regulated by the government itself and not by banks? Can the new party do these few things? If so, it is ready for action, and its labors will be blessed abundantly. We are tired of waiting. We have waited so long that many have become discouraged and have almost given up hope.

But we must not be discouraged. The brightest days are those that come after the greatest darkness.

JNO. S. DE HART.

Jersey City, N. J.

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